



ARMY MWR CARD

Information Brochure for Marketing and CPS POCs
May 2010



The MWR Card is provided by Chase under the provisions of the Customer Payment Solution (CPS) contract. It was introduced in 2000 as a card and an alternative payment solution for collecting dues at on-post clubs, and in 2006 a rewards-based program was added. While the Army has moved away from mandatory dues and the hierarchal club system, the MWR card remains a viable credit card option providing low interest rates and cash back on purchases on and off post.

While there has been difficulties fielding the Customer Payment Solution (CPS) Program, these challenges are not related to sales of credit card accounts, since the credit card is acceptable around the world, (except for the small amount of junior Soldiers who have not yet established credit worthiness). In those cases, the proprietary card issued is only acceptable at Army FMWR activities.

The MWR card has been promoted at the garrison since its inception through Chase-provided marketing materials for point of sale placement at garrison MWR facilities. Additional marketing support has included Soldier show sponsorship with on-site promotion booths. The card is also currently promoted at www.armymwr.com.

Benefits to MWR and Employees

Chase provides a merchants rate of 1.5% on all credit card purchases for the installations on which CPS has been fielded and on those who use the Chase AFNAPO Contract. **The average current savings in merchant fees at the 1.5% level has been \$2,150 per month per installation**, which will be forfeited should credit card account sales, i.e., sales of new credit cards, not increase. Furthermore, when a customer uses a MWR Card on post at an MWR facility with CPS, the merchant rate is 0.0%.

For each approved credit card account created at the installation, **the local MWR office receives a \$25 payout**. This payout is provided by FMWRC to garrison MWR financial management on a quarterly basis. Payouts will be reflected on the income statement.

Use and distribution of these payouts are at the discretion of the DFMWR. The DFMWR may distribute these funds to either the MWR facility/operation responsible for obtaining and securing the application and/or the individual employee in the form of a cash reward. Contact David LaPradd (david.lapradd@us.army.mil) with requests for additional guidance and/or questions concerning the quarterly payout process.

Benefits to Soldiers and Families

- » Competitively low rate – Hard to Beat
The current APR on new MWR Card accounts is 9.99% (Prime + 6.74%).
According to the Federal Reserve, the average APR on all credit cards is 14.9% (this rate fluctuates; check with LowCards.com for current rates). Reference:
<http://www.lowcards.com/the-credit-card-guidebook/credit-card-apr/index.php>
- » Blue Star Benefit – Interest paid by Army MWR cardholders while deployed will be refunded by Chase post-deployment
- » Dedicated U.S. based Military Customer Service unit available 24/7/365
- » Available proprietary card with a maximum \$500 credit limit can be used at all MWR activities and can help customers build a good credit profile responsibly
- » Military Free Cash Rewards Program geared toward on-post spending (2% rewards earned on post i.e. Commissary, Exchange, Child Care, MWR / 1% reward all off-post spending)
- » Redeem earned points for cash back gift cards, merchandise, hotels, airline tickets and more

Additional program and benefit information is available in the Military Brochure
(File name: MilitaryBrochureV4.pdf) located at www.mwrbrandcentral.com



Dispelling Myths and Answering FAQs

CPS IS THE MWR CARD!

CPS or customer payment solution is the process and technology currently being implemented across the Army. MWR operations at installations are operating under CPS now, under the former AFNAPO Contract or through a different third party format. Plans call for all garrisons to implement the current CPS contract. Contact David Lapradd for the installation implementation calendar.

IT'S A CLUB CARD!

The MWR card is not a club card. It is a credit option available to all MWR customers using all MWR facilities and programs to include Soldiers (Active, Guard and Reserve), all dependents and civilians.

IT'S NOT AVAILABLE TO ALL SOLDIERS AND FAMILIES AT ALL GARRISONS!

The MWR card is available to any MWR customer – Soldiers, Families, Retirees and Civilians - anywhere in the world. Customers can apply for the MWR card at any installation and over the Internet.

MARKETING THE MWR CARD IS OPTIONAL!

Marketing the MWR card is not optional. The contract agreement states every garrison is required to actively market the MWR Card in a commercially reasonable manner in all MWR point of sale locations through the display of marketing materials to include take-one applications, in-store signage and other marketing collateral as needed. Additionally, all garrisons are required to display a permanent online advertisement, provided by FMWRC Marketing Directorate, on their website(s)

THE PROPRIETARY CARD IS OPTIONAL!

The Proprietary Card (private label account) is for individuals who do not meet the bank's credit criteria at time of application and are not issued to individuals who have had a previous credit issue such as a prior charge off or bankruptcy. Garrisons do not have to enter applications from individuals with current outstanding debt to the garrisons. Credit lines on Proprietary Cards are limited, which limits risk/liability and the Proprietary Card may only be used on post at Family and MWR facilities.

In cases of negligent debt incurred by a cardholder, Chase handles the collection efforts prior to recourse, which doesn't occur until after numerous efforts to collect. Recourse is only for private label accounts deemed not collectible. Since charges are limited to garrison level MWR activities, the Proprietary Card debt is solely the individual's on charges at garrison Family and MWR activities.

Since banks cannot garnish paychecks, Chase recourses delinquent debt over 65 days to the garrisons for collections. The Family and MWR office has the ability to initiate payroll deductions to collect outstanding debt.

PROCESS FOR MANAGING PAPER APPLICATIONS

All completed applications are to be returned to the garrison's Family and MWR financial management office, specifically to the main point of contact for Club Work, the software required to upload and manage the MWR card.

The applications need to be retained indefinitely. Only when the account is closed and purged, then the application can be destroyed. Applications are needed to recoup recouped amounts from pay or through IRS offset. If on occasion, someone claims to have never applied, the Club Work POC would need to have application as proof and to justify input.

Points of Contact

MARKETING-RELATED QUESTIONS AND SUPPORT POC:

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CUSTOMER PAYMENT SOLUTIONS (CPS) QUESTIONS AND SUPPORT POC:

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